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Arizona Corporation Commission

**DOCKETED** 

January 14, 2005

JAN 1 4 2005

**Via Facsimile Only** - (602)262-5747

DOCKETED BY

Lewis and Roca LLP Thomas Campbell 40 North Central Avenue Suite 1900 Phoenix, AZ 85004

IS JAN IN P317

Re:

Mohave Electric Cooperative, Inc. v. UNS, Electric, Inc.

Docket No.: E-04230A-04-04798
UNS Electric, Inc./CC&N Application

Docket Nos: E-0424A-04-0824 AND E-0175A-04-0824

Dear Mr. Campbell:

This letter responds to your letter of January 11, 2005, as well as the discussions that took place at the procedural conference conducted January 12, 2005. In order to expedite service to Central Trucking, Inc. ("CTI"), Mohave Electric Cooperative prepared and executed the enclosed Conditional Consent consenting to UNS Electric's provision of service to CTI for up to nine (9) months on the conditions set forth. All that remains to be done for UNS Electric to commence service is:

- 1. Preparation of Exhibit A (describing the service location);
- 2. Receipt of a letter executed by an appropriate officer whereby UNS Electric accepts the conditions set forth in the Conditional Consent;
- 3. A Commission Order authorizing service subject to the conditions set forth in the Conditional Consent; and
- 4. Extension of UNS Electric facilities.

Thomas H. Campbell January 14, 2005 Page 2 of 2

This letter is being filed this afternoon with the Commission. If you have any questions, please do not hesitate to contact me.

Very Truly Yours,

William P. Sullivan

For The Firm

WPS/mw

**Enclosures: Conditional Consent** 

cc: Docket Control Arizona Corporation Commission (eighteen copies of this letter

with enclosures – HAND DELIVERED)

Chairman Jeff Hatch-Miller (hand-delivered with enclosures)

Commissioner Mike Gleason (hand-delivered with enclosures)

Commissioner Marc Spitzer (hand-delivered with enclosures)

Commissioner Kirsten Mays (hand-delivered with enclosures)

Commissioner William A. Mundell (hand-delivered with enclosures)

Administrative Law Judge, Dwight D. Nodes (hand-delivered with enclosures)

Jason Gellman, Esq. (hand-delivered with enclosures)

Terrance G. O'Hara (via facsimile)

## CONDITIONAL CONSENT OF MOHAVE ELECTRIC COOPERATIVE, INC. TO UNS ELECTRIC, INC.'S PROVISION OF ELECTRIC SERVICE TO CENTRAL TRUCKING, INC.

## I. RECITALS:

- A. Central Trucking, Inc. ("CTI") has requested electric service be provided at the real property described in the attached Exhibit A (the "Subject Area").
- B. The Subject Area is within Mohave Electric Cooperative, Inc.'s ("MEC") certificate of convenience and necessity granted by the Arizona Corporation Commission ("Commission").
- C. MEC has offered to provide electric service to CTI under its standard service regulations, but CTI has declined to provide the funding to construct extensions of MEC's existing facilities.
- D. MEC has also requested UNS Electric, Inc. ("UNS") to provide power to MEC for resale to CTI, or alternatively to wheel MEC's power to CTI to minimize the cost of initiating service to CTI, but, to date, the requested service from UNS has not been provided to MEC.
- E. MEC has also requested UNS to enter into a system-wide borderline agreement that would encompass service to CTI, but, to date, UNS has not agreed to meet to discuss such an agreement.
- F. MEC filed a complaint with the Commission in Docket No. E-042301A-04-0798 seeking Commission assistance in securing cooperation from its neighboring utility in rendering electric service to CTI.
- G. UNS subsequently filed an application with the Commission in Docket Nos. E-0424A-04-0824 and E-01750A-04-0824 requesting UNS receive a portion of MEC's certificated area, including the Subject Area.
- H. UNS recently offered to provide CTI electric service directly without MEC waiving or prejudicing any right or argument in any of the Commission proceedings referenced above.
- I. At a procedural conference on the Commission matters referenced above conducted January 12, 2005, Administrative Law Judge Dwight Nodes and the Commissioners in attendance encouraged MEC to consent to UNS Electric's provision of electric service to CTI pending resolution of the Commission matters.

NOW, THEREFORE, Mohave Electric Cooperative, Inc. hereby provides its conditional consent as follows:

## II. Conditional Consent

Mohave Electric Cooperative, Inc. gives its consent to UNS Electric, Inc. to provide electric service to CTI and to enter into the Subject Area, certificated to MEC to provide and construct and maintain electric service lines and facilities necessary for the provision of electric service to CTI under the following conditions:

- A. The Commission authorizes UNS Electric, Inc. to provide electric service to CTI within the Subject Area subject to the conditions set forth in this Conditional Consent.
- B. MEC's consent and the provision of electric service to CTI by UNS Electric shall not prejudice or waive any claim or argument MEC may otherwise have with regard to the matters and issues raised in Commission Docket Nos. E-042301A-04-0798, E-0424A-04-0824 and E-01750A-04-0824.
- C. UNS Electric agrees to work, in good faith, with MEC to develop a mutually acceptable system-wide borderline agreement as soon as possible that will render this Conditional Consent unnecessary.
- D. UNS Electric agrees to work, in good faith, on MEC's request for a source of power from UNS Electric that will render this Conditional Consent unnecessary.
- E. MEC's consent provided herein shall automatically expire the earlier of:
  - 1. Nine months from the date of this consent;
  - 2. Execution of a System-wide Borderline Agreement between UNS and MEC that renders this Conditional Consent unnecessary;
  - Extension of MEC's facilities to the Subject Property; or
  - 4. MEC secures a power source from UNS, or otherwise, that has a delivery point at the Subject Property.

Dated this 14th day of January, 2005.

Robert Broz, CEO

Mohave Electric Choperative, Inc.